THE HON'BLE Ms. JUSTICE G. ROHINI

WRIT PETITION No.25005 OF 2004

ORAL ORDER:

It is represented by the learned counsel for both the parties that the is raised in this writ petition is squarely covered by the ratio laid down by Division Bench in **M/s. MRKR-MBGEC v. CHIEF ADMINISTRATIVE OFFIC CONSTRUCTION, SOUTH CENTRAL RAILWAY**[1] in which it was hel under:

> "… Rule 10 of the A.P. Minor Mineral Concession Rules, 1 provide for levy of seigniorage charges. It declares that seigniorage etc. is payable on all minor minerals dispatched or consumed from land. The rates of seigniorage fee are specified in Schedule-I apper to the Rules. Ordinary sand which is used for civil construction f mention at Sl.No.9 in Schedule-I of Rule 10. Therefore, on a plain rea of the relevant clauses of the agreements entered into between petitioners on the one hand and the Railway Administration on the c hand and Rule 10 of the 1966 Rules, it becomes clear that the petitio are liable to pay seigniorage charges on ordinary sand used for construction."

The Division Bench further held as under:

> "In our opinion, letter dated 17-9-2004 Memo dated 15-12-2004 cannot be interpreted so a relieve the petitioners of their obligation to pay seigniorage charge terms of the relevant clauses of the agreements, to which reference been made hereinabove. Clause 27.2 of the Special Conditions Specifications of Work awarded to M/s. MRKR-MBGEC and sir clauses in the agreements entered into between the remaining petitio and the Railway Administration make it clear that seigniorage charges payable by the contractor at the rates fixed by the State Governm These clauses are very widely worded. They provide for lev seigniorage charges fixed by the Government without specifying particular mineral. This necessarily means that seigniorage charges to be levied by the Railway Administration on all minerals for which rates have been fixed by the State Government. If we read these clau in conjunction with Rule 10 of the 1966 Rules and Schedule I, then t remains no doubt that seigniorage charges are payable on all m minerals, including ordinary earth, despatched or consumed from land. The rates of seigniorage charges/fee are specified in Schedu and II. Schedule I clearly refers to ordinary sand used for construction. Therefore, all contracts like the petitioners are duly bour pay the seigniorage charges on the ordinary sand used for constru purposes."

Since the petitioner herein also stands on the same footing relief prayed for in this writ petition cannot be granted.

Accordingly, granting leave and liberty to avail approp alternative remedy as available under law for redressal of its grieva the writ petition is, dismissed. No costs.

(G. ROHINI).

11th June, 2007.
Kgr

THE HON'BLE Ms. JUSTICE G. ROHINI

WRIT PETITION No.25005 OF 2005

11th June, 2007.

Between:

R. Damodar Reddy & Company,
Represented by its Managing Partner –
R. Damodar Reddy. .. Petitioner.

And

The Chief Administrative Officer,
Construction, South Central Railway,
Secunderabad and others. .. Respondents.

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[1] [1] 2006(3) ALT 274.